

## Vermont USDA State Technical Committee Meeting

November 10, 2016

*Conservation Stewardship Program (CSP) Focus*

### **Attendees:**

NRCS: Obe Racicot, Amy Overstreet, Vicky Drew, Bob Sylvester, Dave Blodgett, John Thurgood

FSA: Kim Peck

Senator Leahy's office: Tom Berry and Adrienne Wojciechowski (phone)

Rural VT: Andrew Bahrenburg

FNLC: Kent Henderson

USFWS: Chris Smith

VT Woodlands Assoc: Kathleen Wanner

VT Fish and Wildlife: Dave Adams

VACD: Jill Arace and Jeff Farber

VAAF: Mike Middleman (phone)

VHCB: Nancy Everhart (phone)

DEC: Ali Compagna

Rep. Sanders Office: Jenny Nelson (phone)

UVM Extension: Kirstin Workman

ECOAmeriCorps: Stephanie Drago and Jimmy Young

VT NRCS State Conservationist Vicky Drew welcomed everyone. Hosting this meeting to provide a CSP overview today, because traditionally VT NRCS has low participation. CSP rewards producers who go above and beyond. Practice standards have specific criteria to be met. This program incentivizes producers who have met at least 2 resource concerns and agree to reach another by the end of the contract. CSP makes payments on a per acre basis for meeting those resource concerns. Lots of enhancements available. It can be very helpful to small farms which is why NRCS reached out to groups like *Rural VT*.

VT NRCS received its allocation for the year. Totals \$4 million for easement funds and **\$17.5** million for Financial Assistance (EQIP and AMA). NRCS historically caps out around \$9.5 million in allocations, so with more money now there is a huge opportunity as well as huge challenges. Feeling the pinch to allocate all these funds with limited staff. Still have 8 or 9 vacancies.

Help NRCS spread the word about [EQIP sign up, currently underway](#).

**DROUGHT DISCUSSION:** Drew asked for advice from the committee about the drought and if VT NRCS should carve off a separate funding pool to help farmers address the drought. NRCS can help farmers drill new wells or put in more efficient irrigation systems. Other states in Northeast are announcing drought related signups. She proposed that \$200,000 be put toward drought relief.

Drew talked about drought designation. Peck said that if Vermont meets D3 level (very severe drought) and if it can be proved that there was a 40% departure from normal precip, for 4 months, VT would be

eligible for ECP drought assistance. FSA is compiling that info now and so far Vermont has only had 3 or 4 weeks of D2 designation. Very isolated drought. Kirstin Workman said she didn't think \$200,000 would be enough. Racicot mentioned that assistance with irrigation under EQIP irrigation requires applicants to show proof of irrigation 2 out of 5 years. EQIP requires improvements to an existing system.

Jenny Nelson asked, "What about farmers that ran out of water completely?" Drew said that is what this is for.

Kent Henderson asked would money used in this fashion count toward their EQIP cap since it's weather related? Yes, it will still go against the cap for the individual producer. Drew said that couldn't be avoided. There is cap of \$450,000 per entity during the life of the farm bill. Drew said it would be based on a ranking. Berry said that if we do have a persistent drought, it would be good to get this out early to the farmers.

Kim Peck mentioned FSA's conservation loans available too. Drew proposed leaving cost share at 75 percent.

Two options: Cap it per practice (eg, \$10,000 per well or farm). Or by percent cost-share by foot, which would treat everyone the same. Arace suggested cap on total. There is no way to gauge what the interest would be for this.

**Call for National Conservation Innovation Grant Proposals.** [More details here.](#) —out earlier this year than normal. Drew mentioned the new element of paying for ecosystem services/environmental outcomes. New opportunity for those that want to brainstorm and partner with folks, so reach out to *Gund Institute* to see if there are partnership opps for Vermont. \$25 million available nationwide. There will be a state level announcement coming for CIG as well, probably Jan/Feb. If you have ideas of what you want in this, let us know. VT has had about one a year submitted for the national CIG's. (*UVM's Go Crop* was funded by this as was the recent [NativeEnergy award](#)).

**FSA Update:** Have emergency loans available in Connecticut River counties -by May. Emergency Conservation Program (one in Franklin County and in Windsor County) for July 2016 damage to sugar bushes from wind storm). Sign up is over for that but still awaiting funds.

Conservation Reserve Program was at pivotal point where national cap of 24 million acres was almost met. FSA can take Continuous CREP and with State of VT they are able to approve applications (helps pay for riparian buffers, fencing, livestock crossings, grassed waterways). FSA has started working with NRCS on contracts that expire this year.

**CRP grassland small scale livestock grazing operations program-NEW:** A few practices allowed, including pollinator habitat, and other 2 related to permanent grasses for producers with 140 grazing animal units or less and not more than 200 acres. Beneficial to Vermont. Focused to grazers and pays annual rental. Rates are 40-60\$ per acre and pays 50% cost share for grazing practices. Outreach will be conducted to dairy cooperatives. Deadline closes on December 16. Jenny mentioned notifying Jenn Colby. Difference between this and EQIP is yearly rental payment. This is CRP continuous and can go 14 to 15 years. The producers would have to have a conservation plan. Producers should go to FSA and fill out an application before the first week of December. Read more [here](#).

**FSA Staffing update:** new farm loan officer trainee in Newport office. And a trainee in Franklin County office. County Ex Director in St. Albans retired and Paul Remillard is acting. Bob Paquin is retiring in December. January 6 will be a celebration of Bob's service. An invite will be sent to everyone.

**St. Albans Field Office moving:** Vicky mentioned that St. Albans Field Office will be moving, against our wishes. Executive order requires federal agencies to move into federal space, so NRCS will move into the basement of the fed building in St. Albans. No parking for clients or employees. Will take place next summer.

**January 13 meeting at VTC in Randolph for all water quality partners,** hosted by VACD to hear about VT Environmental Stewardship Program, and other issues. Meeting purpose is to bring all technical service providers involved in water quality efforts to network and learn about new technology, etc. Registration will be conducted in advance so stay tuned.

**AmeriCorps members introduced.** Racicot offered their assistance to partners in the room. Drago and Young introduced themselves.

### **Conservation Stewardship Program Overview (CSP)-Obe Racicot**

A program that rewards producers for going above and beyond. In 2015, NRCS reinvented CSP. Looked at what worked/what didn't. They made some improvements. In 2008 Farm Bill, language included a Conservation Measurement Tool. It required as much as 8 hours of work to determine eligibility. The new process flows more like EQIP and is a more transparent process.

Difference b/t CSP and EQIP: EQIP by nature is a fix-it program to help you meet a resource concern. This is the ideal scenario: fix the resources concerns with a conservation plan and EQIP then move to CSP to take it above and beyond. CSP is another tool in the tool box when EQIP projects don't rank high because they don't have much of a resource concern to address. CSP is the alternative. Producers who are already meeting resource concerns should apply for CSP, not EQIP.

Financial Assistance to farmer/landowner: National average rate is set at \$18/acre and will be managed nationwide. CSP payments are not allowed for design, construction, or maintenance of animal waste storage or treatment facilities. The best way to think of CSP is that it is a combination of a per acre payment as opposed to a per practice payment.

To be eligible for CSP a participant has to be meeting 2 or more resource concerns at time of application or be meeting 2 at the time of application and agree to meet a 3<sup>rd</sup> resource concern at the end of the contract. For CSP, the landowner has to be evaluated based on all the land they own on an operation. Example: they can't have great fields and a terrible farmstead. The only exception is that forestry and farmstead applications are evaluated separately. There will be 2 different funding pools set up: forestry vs. Ag Land.

**Signup Period:** NRCS will accept sign ups November 14<sup>th</sup> through February 3. Anything after that will be considered in 2018.

### **Eligibility. There are 3 elements:**

- ✓ Application eligibility (are you in the FSA system?).
- ✓ Land eligibility (private land actively managed with farm tract number)
- ✓ Stewardship Threshold Eligibility (measured by CAETool).

**Conservation Activity Evaluation Tool (CAET)**-determines eligibility. NRCS will lead applicant through the tool. Each resource concern has a checklist process that will be posted on the NRCS VT website after it is developed. There are 10 resource concerns the CAET evaluates. VT NRCS cannot edit the questions in CAET, but we have some latitude to pick which questions are applicable to VT.

**CSP Enhancements:** In EQIP you have practices, and in CSP you have enhancements.. There are 224 enhancements available, 32 bundles available, and 77 practices available.

#### **Bob Sylvester explained enhancements.**

- Conservation practice standard. Any practice might have multiple purposes. The idea behind enhancements is that they are applying good conservation, for a certain purpose, but CSP goes above this, where there are multiple enhancements available for a particular practice. Going to the next level. Bob referred to a shortened list of practices in the packet that list enhancements. If you would like the listing of **all** enhancements (20 pages) you should send an email to [amy.overstreet@vt.usda.gov](mailto:amy.overstreet@vt.usda.gov).
- The producer could already be meeting 3 resource concerns, but they still have to do something, typically practice enhancements, to receive funding.
- Every land use, crop or pasture, or forest, you will find many enhancements related to wildlife.
- A bundle is at least 3 or more enhancements you can pick, all tied to same land use, and you will get an increased payment.
- You only have to do the majority of the bundle, but you don't get the full payment. You get a reduced payment based on enhancements you didn't do in bundle. You won't get kicked out of the program (unlike previous program). New program is more flexible.
- Practices—if a customer needs to meet a 3<sup>rd</sup> resource concern, practice is probably the way to go to meet 3<sup>rd</sup>.
- The practice list is long. Some might not be applicable to VT.
- Question from Jill: How does planner decide how to guide producer whether to use CSP or EQIP?
  - Planner should explain all ramifications. If they need practices, provide them CSP practice payments and what EQIP offers. Give them the facts and let customer decide.
- In Vermont, we have trimmed down the list of enhancements to 185. It will be hard for planners in field office to pick out what is applicable to customer. The CAET software does tell you what enhancements you are eligible for. It will also configure bundles.

#### **CSP Payments**

- In EQIP, you got payment when you finished. With CSP, payment is allowed only once a year. As soon after October 1 of each fiscal year.
- Annual payment limitation: \$40,000 a year up to \$200,000 for a 5 year contract.
- Calculation:
  - 2 types. Acreage based. Annual payment consist of existing activity and additional activity payment.
  - Supplemental payment-on cropland
  - Annual payment: rates for 2017 are being developed and will be posted to the web
  - Forestry example was illustrated (also on PowerPoint slide)
  - Chris Smith asked, "What could these payment rates be in VT?" We don't know yet.

- One thing Vicky asked Obe to do, is once payment rates are set, to post example on our webpage to help explain the typical situation here in Vermont.
- Tom Berry—what gets someone in the door as far as qualifying for assistance as a farmer?
  - Obe explained the process that FSA does all paperwork to enter a farmer into system. Fill out 156 EZ, show a map of your land to get your land unit and farm and tract number. Entities file business paperwork. The law is written that FSA determines program eligibility. If FSA says you are a farmer, then you are eligible for our assistance. Think producer—not farmer. Are you producing something? You own private land and your produce an ag or forest non industrial product. You don't have to be selling it.
- VT NRCS received an acreage allocation, just under 5,000 acres, for CSP. There are applications that were carried over from last year. Really want to get the word out.
- Main take away—those farms that aren't qualifying for EQIP because their land is meeting resource concerns should be turned to CSP as an alternative. Grazers and organic would be good examples.
- Deadline for CSP sign up is Feb. 3, 2017. EQIP accepted year round but farmstead applications due Feb. 17, 2017.
- Next meeting of the State Tech Committee is January 25, 2017.